



**PROPOSED RULE MAKING
(RCW 34.05.320)**

CR-102 (7/22/01)
**Do NOT use for expedited
rule making**

Agency: Public Disclosure Commission

- ☒ Preproposal Statement of Inquiry was filed as WSR 03-13-104; or
☐ Expedited Rule Making -- Proposed notice was filed as WSR _____; or
☐ Proposal is exempt under RCW 34.05.310(4).

- ☒ Original Notice
☐ Supplemental Notice
to WSR _____
☐ Continuance of WSR _____

(a) Title of rule: (Describe Subject) Title 390 WAC -- Rules relating to out-of-state or federal political committees (WAC 390-16-050 and 055), Electronic filing (WAC 390-19-030), reporting of campaign expenditures (WAC 390-16-037, 041 and 205) and small contributors of twenty-five dollars or less (new rule WAC 390-17-105).

Purpose: To clarify reporting requirements for candidates and political committees.

Other identifying information:

(b) Statutory authority for adoption: RCW 42.17.370

Statute being implemented: chapter 42.17 RCW

(c) Summary: The proposed rule amendment to WAC 390-16-050 and repeal of WAC 390-16-055 conforms to statutory provisions of House Bill 1294, which became effective on July 27, 2003. The proposed rule amendment to WAC 390-19-030 reflects the new statutory threshold level for electronic filing and establishes an additional benchmark for filers. The proposed amendments to WAC 390-16-037, WAC 390-16-041 and WAC 390-16-205 would provide clarification and examples to filers on reporting campaign expenditures. New WAC 390-17-105 implements requirements of a King County Superior Court permanent injunction regarding small contributors.

Reasons supporting proposal: The proposed amendments and new rule will clarify the statutory requirements under chapter 42.17 RCW and provide guidance to those entities required to disclose campaign contributions and expenditures.

(d) Name of Agency Personnel Responsible for:	Office Location	Telephone
1. Drafting..... Doug Ellis	PDC 711 /Capitol Way, Rm 206, Olympia	(360) 664-2735
2. Implementation.... Doug Ellis	PDC 711 /Capitol Way, Rm 206, Olympia	(360) 664-2735
3. Enforcement..... Phil Stutzman	PDC 711 /Capitol Way, Rm 206, Olympia	(360) 664-8853

(e) Name of proponent (person or organization):
☐ Private
☐ Public
☒ Governmental

(f) Agency comments or recommendations, if any, as to statutory language, implementation, enforcement and fiscal matters:
None

(g) Is rule necessary because of:

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, ATTACH COPY OF TEXT

Citation: Washington Education Association Political Action Committee v.
Public Disclosure Commission, King County Superior Court, NO. 01-2-
29388-5KNT

(h) HEARING LOCATION:

Commission Hearing Room
Evergreen Plaza Building
711 Capitol Way, Room 206
Olympia, WA

Submit written comments to:

Doug Ellis (dellis@pdc.wa.gov)

Public Disclosure Commission

PO Box 40908

Olympia, WA 98504-0908

FAX (360) 753-1112 By (date) December 2, 2003

Date: December 10, 2003 Time: 9 a.m.

DATE OF INTENDED ADOPTION: December 10, 2003

Assistance for persons with disabilities: Contact
Ruthann Bryant by Telephone

TDD () _____ or (360) 753-1111

NAME (TYPE OR PRINT)

Susan Harris

SIGNATURE

TITLE

Assistant Director

DATE

11/3/03

CODE REVISER USE ONLY

COMMUNICATIONS OFFICE STATE OF WASHINGTON FILED	
NOV 4 2003	
TIME <u>932</u>	PM
WSR <u>03-22-066</u>	

(COMPLETE REVERSE SIDE)

(j) Short explanation of rule, its purpose, and anticipated effects:

The proposed rule amendments to WAC 390-16-050 and repeal of WAC 390-16-055 reflect changes to PDC form C-5 and would eliminate the forfeiture rule. The proposed amendments would implement the provisions House Bill 1294 which became effective on July 27, 2003.

Proposed amendments to WAC 390-19-030 reflect the new threshold level for mandatory electronic filing on January 1, 2004 and establishes an additional benchmark for determining when a filer can reasonably "expect to expend" an amount equal to or more than \$10,000.

New WAC 390-17-105 is in response to a King County Superior Court injunction enjoining the Commission from taking action to enforce RCW 42.17.680(4) by requiring employers to disclose the names or signatures of such individuals who have made contributions in the amount of twenty-five dollars or less during the year.

Proposed amendments to WAC 390-16-037, WAC 390-16-041 and WAC 390-16-205 clarify the reporting requirements to provide a detailed breakdown of campaign expenditures and provides examples of how these campaign expenditures should be reported on PDC forms.

Does proposal change existing rules? ☒ YES ☐ NO

If yes, describe changes:

The proposed rule changes clarify and provide guidance to individuals, candidates and political committees on the statutory requirements of chapter 42.17 RCW.

(k) Has a small business economic impact statement been prepared under chapter 19.85 RCW?

☐ Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by writing to:

telephoning: ()

faxing: ()

☒ No. Explain why no statement was prepared

The implementation of this rule has minimal impact small businesses.

(l) Does RCW 34.05.328 apply to this rule adoption? ☐ Yes ☒ No

Please explain:

The PDC is not an agency listed in subsection (5)(a)(i) of section 201. Further, the PDC does not voluntarily make section 201 applicable to this rule adoption pursuant to subsection (5)(a)(ii) of section 201, and to date JARRC has not made section 201 applicable to this rule adoption.

AMENDATORY SECTION (Amending WSR 02-12-007, filed 5/23/02, effective 6/23/02)

WAC 390-16-050 Forms for contributions and expenditures of out-of-state ((or federal)) political committees. The official form for the report required by RCW 42.17.093 of contributions and expenditures of an out-of-state political committee((~~s~~-(a) ~~registered with the Federal Election Commission,~~ (b) ~~not domiciled in Washington state, or~~ (c) ~~otherwise not required to report under RCW 42.17.040, 42.17.065, or 42.17.080~~)) organized for the purpose of supporting or opposing candidates or ballot propositions in another state that is not otherwise required to report under RCW 42.17.040 through 42.17.090 is designated "C-5," revised ((6/02)) 1/04. Copies of this form are available at the Commission Office, Room 206, Evergreen Plaza Building, Olympia, Washington 98504-0908. Any paper attachments shall be on 8 1/2" x 11" white paper.



PUBLIC DISCLOSURE COMMISSION

711 CAPITOL WAY RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
TOLL FREE 1-877-601-2828

Form

C5

6/02

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**OUT OF STATE OR FEDERAL COMMITTEE CONTRIBUTION
TO WASHINGTON CANDIDATES OR COMMITTEES**

1. Name and address of person making contribution

Name
Street address
City / State / Zip

2. Check appropriate box

- ☐ This is the first report submitted during 20__
☐ This shows new expenditures, contributions or information changed from reports submitted previously this calendar year.

3. Explain briefly the purpose or affiliation of the committee. (e.g., A PAC of employees of the XYZ Trade Assn., or the election committee of US Senator Jane Doe, or a PAC of members of the United Worker's Union.)

**4. Officers or responsible leaders of committee:
Name and address**

Title

5. Candidate contributions: List each Washington candidate for state or local office to whom you have made a contribution of more than \$50.00.

Candidate's name

Office sought

Political Party

Date

Amount given

6. Ballot measure committee contributions: List each Washington committee supporting or opposing a ballot measure to whom you have made a contribution of more than \$50.00.

Committee name and address

Ballot
Number

For or Against

Date

Amount given

7. Other contributions and expenditures: List each other contribution or expenditure of more than \$50.00 made to or on behalf of any Washington state or local candidate, ballot measure or political committee.

Recipient's name and address

Purpose

Date

Amount given

Check here ☐ if continued on an attached sheet

8. Total contributions and expenditures (Add parts 5, 6, 7)

CAUTION: Failure to report transactions within ten days will cause the funds to forfeit to Washington State.

9. Contributions received from Washington residents:

List all contributions of more than \$25.00 in the aggregate to this out of state, federal or other committee during the current calendar year from Washington residents or corporations with a place of business in Washington.

Name and address

Date

Amount

Check here ☐ if continued on an attached sheet

10. Eligibility to Give to State Office Candidates: During the six months prior to making a contribution to a legislative or statewide executive candidate, your committee must have received contributions of \$10 or more from at least ten persons registered to vote in Washington State.

☐ A check here indicates your awareness of and pledge to comply with this provision. Absence of a check mark means your committee does not qualify to give to legislative and statewide executive office candidates.

11. Certification: I certify the information contained in this report is true, complete and correct to the best of my knowledge.

Signature of Committee Official

Name - Typed or Printed

Title

Daytime Telephone No.: ()

(Be sure to notify each contribution recipient that you have filed this report, in order that they are aware they may spend the contribution given to them.)

INSTRUCTIONS

(Statutory reference: RCW 42.17.090 (1)(K))

WHO MUST REPORT

A political committee not domiciled in the state of Washington, a federal committee or other committee not required to register under Washington law, which has made contributions to a state or local candidate or political committee in Washington state.

WHEN TO REPORT

A C-5 report is due within ten days of a Washington state candidate or political committee receiving a contribution of more than \$50 from an out-of-state or federal PAC. After filing an initial C-5 report, subsequent reports during the same calendar year may be filed by letter updating or amending the information previously reported. These follow-up reports are also due within ten days of the contribution's receipt.

SEND REPORT TO

Public Disclosure Commission
711 Capitol Way, Room 206
PO Box 40908
Olympia, WA 98504-0908

VIOLATIONS AND PENALTIES

- Candidates for legislative office have a contribution limit of \$625 per election. Candidates for statewide executive office have a limit of \$1,250 per election. Each primary and general is a separate election.
- It is a violation of law for any person to make, or for any political committee of any local or judicial candidate to accept from any one person, contributions in the aggregate exceeding \$5,000 within 21 days of a general election.
- Failure to report contributions and file the information required by this report within 10 days after the Washington candidate or committee receives the funds will cause the funds to be returned or forfeited to the state.

Form C5 1/04	This space for office use P M O A S R T K R E C E I V E D
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OUT OF STATE COMMITTEE CONTRIBUTION TO WASHINGTON CANDIDATES OR COMMITTEES

1. Name and address of committee making the contribution

Name
Street address
City / State / Zip

2. Check appropriate box

- ☐ This is the first report submitted during 20__
- ☐ This shows new expenditures, contributions or information changed from reports submitted previously this calendar year.

3. Provide the purpose of the committee and the identity of any business, union, association or person with which the committee is affiliated (e.g., A State Committee of the Oregon Democratic or Republican Party, Idaho committee of United Workers Union or XYZ Trade Assn.)

4. Officers or responsible leaders of committee:
Name and address

Title

5. Candidate contributions: List each Washington candidate for state or local office to whom you have made a contribution of more than \$50.00.

Candidate's name	Office sought	Political Party	Date	Amount given

6. Ballot measure committee contributions: List each Washington committee supporting or opposing a ballot measure to whom you have made a contribution of more than \$50.00.

Committee name and address	Ballot Number	For or Against?	Date	Amount given

7. Other contributions and expenditures: List each other contribution or expenditure of more than \$50.00 made to or on behalf of any Washington state or local candidate, ballot measure or political committee.

Recipient's name and address	Purpose	Date	Amount given

Check here ☐ if continued on an attached sheet

8. Total contributions and expenditures (Add parts 5, 6, 7)

9. Contributions received from Washington residents:

List all contributions of more than \$25.00 in the aggregate to this out of state, federal or other committee during the current calendar year from Washington residents or corporations with a place of business in Washington.

Name and address

Date

Amount

Check here ☐ if continued on an attached sheet

10. Eligibility to Give to State Office Candidates: During the six months prior to making a contribution to a legislative or statewide executive candidate, your committee must have received contributions of \$10 or more from at least ten persons registered to vote in Washington State.

☐ A check here indicates your awareness of and pledge to comply with this provision. Absence of a check mark means your committee does not qualify to give to legislative and statewide executive office candidates.

11. Certification: I certify the information contained in this report is true, complete and correct to the best of my knowledge.

Signature of Committee Official

Name - Typed or Printed

Title

Daytime Telephone No. ()

E-Mail Address

INSTRUCTIONS

(Statutory reference: RCW 42.17.093)

WHO MUST REPORT

An out-of-state political committee organized for the purpose of supporting or opposing candidates or ballot propositions in another state that is not otherwise required to report under RCW 42.17.040 through 42.17.090 which has made contributions or expenditures to or on behalf of a state or local candidate or political committee in Washington state.

WHEN TO REPORT

A C-5 report is due no later than the 20th day of the month following any month in which a contribution or other expenditure of more than \$50 is made to or on behalf of a Washington state candidate or political committee. After filing an initial C-5 report, subsequent reports during the same calendar year shall be filed updating or amending the information previously reported. These follow-up reports are also due no later than the 20th day of the month following any month in which an additional contribution or other expenditure of more than \$50 is made.

The C-5 report, like other standard PDC reports, is considered filed as of the postmark date or, if electronically filed, on the file transfer date.

SEND REPORT TO

Public Disclosure Commission
711 Capitol Way, Room 206
PO Box 40908
Olympia, WA 98504-0908